

ADMINISTRATIVE INTERNAL USE ONLY

16 JUL 1984

MEMORANDUM FOR: Associate Deputy Director for Intelligence

THROUGH : Chief, Budget and Fiscal Group, DDI

FROM : [REDACTED] Director of Scientific and Weapons Research

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SUBJECT : Request for Prior Year Funding for On-Going Contract [REDACTED]

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1. DDI/Contracts has informed me that they have received [REDACTED] notification of a cost overrun [REDACTED] in our contract No.

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[REDACTED] This cost overrun has resulted primarily from three causes:

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- a. Panelists' time and expenses have increased due to broader and deeper coverage than anticipated of specific reports, [REDACTED]
- b. [REDACTED] the major portion of the literature searching, document acquisition and document reproduction for the panelists.
- c. The amount of review, editing, and word processing to complete the reports has exceeded expectations.

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2. The unanticipated increase in consultant costs for the [REDACTED] Research Panel was identified [REDACTED] on 13 March 1984, and we were first notified in their 21 March monthly report. [REDACTED] immediately told the panel chairman to cut costs to the minimum necessary to complete the report with no new work. This panel

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has been highly motivated, and its report is expected to be one of [] best. At the last panel meeting, representatives from several government agencies, which contributed funds to this panel's task, commented on the high quality of the panel's effort and work. We believe the additional size and value of the report warrants our covering additional costs.

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3. Originally, it was expected that each panel member would provide most of his own library research/literature support. This has proved not to be true, for a variety of reasons, but largely because of the lack of ready availability to the panel members at their normal place of business, of translated Soviet journals. Most database searching and acquisition of (translated) documents is being done by []. Indeed, an additional staff member has been added for this purpose.

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4. Panel members are selected for the technical expertise and reputation. Often their writing ability, attention to detail (e.g., providing full details on cited references), and response to deadlines are not at the same level as their scientific reputations. This has necessitated much more editing and review, and production of more interim (often incomplete) drafts, than originally envisioned. In addition, the [] report, being double the average size and with ten contributors, compounded this problem. These additional costs, though unfortunate, are justified. These reports are not just delivered to OSWR for our internal use; we are now distributing over 200 copies to other organizations, most outside the Intelligence Community; the editorial quality should be on a par with the technical quality.

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5. Details on the cost to complete the five panels' tasks and partly complete the sixth are provided in the attached [] letter dated 1984. This has been reviewed by the COTR and meets with his approval.

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6. [] the COTR have recognized the need for improved procedures to provide better control of the panels' activity and progress. Starting in January 1984, [] initiated (with approval of DDI/Contracts) a new payment schedule for panelists based on deliverables. The schedule should provide improvement in both timeliness and quality of panel chairman inputs and is being further reviewed [] DDI/Contracts to provide better monetary control. A portion of the additional literature support

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and report review costs are now being provided for in our current funding plans. Additionally, we are now assigning OSWR analysts, when available with appropriate technical expertise, as task monitors for each new panel. They will be able to assist in technical literature support and in review and organization of reports. While, in part, this is only a transfer of external resources to internal, we anticipate a gain, not only in the quality of the reports, but also in analyst education and training through continuing participation with these panels of experts.

7. I request therefore that prior year funds be provided to cover this unexpected change which was beyond our control.

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ATTACHMENT: a/s

APPROVED:

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19 JUL 1984

Associate Deputy Director for Intelligence

Date

Page Denied